



Code of Conduct

WORLDWIDE CODE OF CONDUCT

To: All PBG Employees, Directors and Officers

The Pepsi Bottling Group has always had a strong commitment to customer service, product quality, employee development and shareholder value – and we deliver, thanks to the tireless effort and dedication you put forth day in and day out. Key to our performance in these areas is an equally strong commitment to doing business ethically and with integrity. PBG’s reputation and continued success depend largely on our support - yours and mine - to this commitment. No success is meaningful if it’s not achieved the right way.

Doing things the right way, ethically, with integrity and in full compliance with the law, is not just something we talk about at PBG, it’s engrained in our culture. PBG’s Worldwide Code of Conduct, the cornerstone of our culture, explains the principles that define our Company. The Code, which has been adopted by our Board of Directors, is attached to this letter. Read the Code thoughtfully and reflect on its meaning. When you sign it, renew your personal commitment to live by it every day. No excuses.

If you have questions about the Code – or if you have concerns about possible ethical violations in the workplace – I urge you to talk immediately with your supervisor or your Human Resources Manager.

Also, at any time, you should feel free to call or write PBG’s Office of Compliance. The address is: Office of Compliance, 1 Pepsi Way, Somers, New York 10589. We have established a toll-free phone number for discussing ethical questions or concerns. The PBG Business Ethics Line number is 1-800-525-3088. Employees outside the U.S. and Canada who wish to call the PBG Business Ethics Line must first dial an access code as explained below and then dial 800-525-3088. In addition, employees at locations other than the U.S. and Canada may contact the following designated persons: in the Russian Federation, the Organization Capabilities Manager; in Greece, the Chief Financial Officer; and in Spain, Turkey and Mexico, the Controller. All contacts will be treated confidentially to the maximum extent possible under the applicable law. In all events, all contacts will be treated without any retaliation.

All PBG employees, directors and officers, regardless of location or position in the Company, have an obligation to read this Code, understand it, and follow it every day, without exception. Everyone who works at PBG or comes in contact with us should feel confident about our business ethics, our honesty and our integrity. That starts and ends with each of us. The Code of Conduct is a living document. The example you set each day brings it to life.



Eric J. Foss
President & Chief Executive Officer

Business Ethics Line Access Codes Outside the U.S. and Canada:

Spain.....	900-99-00-11	Turkey.....	00-800-12277
Greece.....	00-800-1311	Mexico	01-800-288-8772
The Russian Federation:	755-5042in Moscow	
	8-095-755-5042outside Moscow	
	325-5042 in St. Petersburg	
	8-812-325-5042 outside St. Petersburg	
	8 and 10-800-110-1011	after the second dial tone in Ekaterinburg, Irkutsk, Khabarovsk, Novosibirsk, Omsk, Rostov-on-Don, Samara, Ufa, and Vladivostok	

 **PBG MISSION STATEMENT**

We have absolute clarity around what we do:

We Sell Soda.

We commit ourselves to these operating principles:

Rules of the Road

1. Drive Local Market Success.
2. Act Now. Do It Today. Get Results.
3. Set Targets. Keep Score. Win.
4. Respect Each Other.

Our success will ensure:

**Customers Build
Their Business**

**Employees Build
Their Futures**

**Shareholders Build
Their Wealth**

 **PBG MISSION STATEMENT**



We commit ourselves to these operating principles:

Rules of the Road

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| <ol style="list-style-type: none"> 1. Drive Local Market Success. <ul style="list-style-type: none"> • We compete locally • “Small” in big/small company • Visible community leadership • Mindset of an entrepreneur • Know/Service every customer 2. Act Now. Do It Today. Get Results. <ul style="list-style-type: none"> • Sense of urgency • There is no tomorrow • Fix it today • Our success is built upon passion | <ol style="list-style-type: none"> 3. Set Targets. Keep Score. Win. <ul style="list-style-type: none"> • Every front-line job has targets • Reinforce goals, plan performance • Prioritize, focus, simplify • Clear accountability for results • No excuses 4. Respect Each Other. <ul style="list-style-type: none"> • Treat everyone fairly, and with dignity • Operate with integrity and justice • Every individual is important |
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THE PEPSI BOTTLING GROUP, INC.

CODE OF CONDUCT

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THE PEPSI BOTTLING GROUP, INC. WORLDWIDE CODE OF CONDUCT

IMPORTANCE OF BUSINESS ETHICS AND LEGAL COMPLIANCE AND REPORTING OF VIOLATIONS

We make an absolute commitment to our customers, employees and our shareholders to conduct business ethically and in full compliance with the applicable laws, as explained in this Code of Conduct (the “Code”). The standards described in the Code apply to all employees, directors and officers of The Pepsi Bottling Group, Inc. and its subsidiaries and controlled affiliates, including our Canadian, Russian, Spanish, Greek, Turkish and Mexican companies (collectively, “PBG” or the “Company”).

This commitment includes compliance with all of the laws that regulate or apply to our business. Equally important, this commitment extends to compliance with the highest standards of business ethics. As a PBG employee, director or officer, you are required to conduct yourself ethically at all times and to comply fully with the law, no matter what your job assignment or location. You must never direct anyone to take any actions that violate the Code.

As a PBG employee, director or officer, you are required to conduct yourself ethically at all times and to comply fully with the law, no matter what your job assignment or location.

Because ethics is serious business, the Code of Conduct will be vigorously enforced. Appropriate disciplinary action (including termination and possible cancellation of stock options) will be taken against any employee, director or officer found to have violated the Code. Further, the Company may seek prosecution of any such person who has violated the law.

PBG can uphold its high standards of ethical business conduct only with the commitment and cooperation of every PBG employee, director and officer. Any such person who has information about an ethical or legal violation at PBG has a duty to report this to the Company.

You should report any concerns relating to a violation or potential violation of this Code to your Human Resources Manager, the Office of Compliance, or the designated person for international locations.

Reporting of violations, including those related to accounting and auditing matters, may be done anonymously by writing to the Office of Compliance or calling the PBG Business Ethics line as explained below. An anonymous report should provide enough information about the situation to allow PBG to investigate properly. You can contact the Office of Compliance by writing to the following address: The PBG Office of Compliance, 1 Pepsi Way, Somers, New York 10589, USA. Alternatively, you can reach the PBG Business Ethics Line, which is overseen and monitored by the Office of Compliance, by calling 1-800-525-3088 (in the U.S. and Canada) or dialing the applicable access code and then 800-525-3088 (if in Spain, Greece, the Russian Federation, Turkey or

Mexico). In addition, in locations other than the U.S. and Canada, you can contact the designated person for your location: in the Russian Federation, the Organization Capabilities Manager; in Greece, the Chief Financial Officer; and in Spain, Turkey and Mexico, the Controller.

The identity of any employee who makes a report or inquiry will be protected to the extent allowed by legal requirements. PBG will not tolerate retaliation against any employee who contacts the Office of Compliance or calls the PBG Business Ethics Line with an ethical or legal concern or reports a violation of the Code. Open communication of issues and concerns without fear of retribution or retaliation is vital for the successful implementation of the Code. Each employee, director and officer is required to cooperate fully in internal investigations of violations of the Code.

The Office of Compliance has the primary responsibility for the enforcement of the Code, subject to the supervision of the Audit and Affiliated Transactions Committee of the PBG Board of Directors.

Although the Code of Conduct is the cornerstone of PBG's commitment to business ethics, it cannot possibly cover every situation in which an ethical choice may need to be made. Ultimately, everyone must be relied on to use common sense and good judgment in knowing and doing what is right.

WAIVERS AND AMENDMENTS

Any waiver or amendment of the provisions of the Code for the Company's executive officers, Controller or directors may only be granted by the Board of Directors of PBG and will be promptly disclosed to shareholders in compliance with applicable disclosure requirements.



Conducting Business With Integrity

CONFLICTS OF INTEREST

All PBG employees, directors and officers have an obligation to act in the best interests of the Company at all times. This means that there should never be a conflict or appearance of a conflict between your personal interests – or those of your immediate family – and the Company's interests.

A “conflict of interest” occurs when your private interest interferes in any way, or even appears to interfere, with the interest of the Company. A conflict of interest can arise when you or a member of your family takes an action or has an interest that makes it difficult for you to perform your duties objectively and effectively, or when you receive an improper personal benefit as a result of your position with the Company.

Although it would not be possible to describe every situation in which a conflict of interest may arise, the following are examples of situations that may constitute a conflict of interest:

- Owning an interest (other than an interest through a publicly traded mutual fund) in, rendering services or working for any company or person that is a customer, supplier or competitor of PBG.

You should never let your business dealings be influenced, or appear to be influenced, by personal or family interests.

- Performing work or service for another company that interferes with your responsibilities to PBG.
- Requesting or accepting gifts, loans or favors (such as discounts or other benefits), unless they are consistent with normal business practices and of nominal value, from an existing or potential customer or supplier.
- Using PBG’s confidential information for your own benefit or the benefit of others.
- Competing with PBG for the purchase or sale of property, services or other interests.
- Benefiting from a business venture or opportunity that is related to PBG’s business and that you learn of or develop in the course of your employment at or association with PBG.
- Receiving a loan or guaranty of an obligation as a result of your position with the Company.

You should stay clear of any situation that either creates or gives the appearance of creating a conflict of interest. If you or an immediate family member becomes involved in business dealings that might create a conflict, you are required to disclose those dealings immediately to your supervisor or the designated person for your location who, together with the Office of Compliance, will determine whether an actual or potential conflict of interest exists and the appropriate way of resolving that conflict.

BUSINESS GIFTS AND PAYMENTS AND FAIR DEALING

Our policy is to make all of our business decisions on merit. Therefore, you should never offer, give or receive – directly or indirectly – anything of value to or from a customer to influence or reward an action in violation of

PBG's or a customer's policy. Inexpensive promotional items, such as T-shirts and hats, are generally of nominal value and do not violate this policy. Any gifts of value, however, including meals, trips, entertainment and any cash gifts or items with other than nominal value, are subject to this policy. In no event should corporate gifts or entertainment be used as or appear to be bribes or other improper forms of compensation.

Generally, you may only give or receive a gift or incentive to or from a business partner if it serves a business purpose and has been approved by your manager. Because of the appearance of impropriety, gifts of cash should never be given to a customer, supplier or other business partner, regardless of amount.

You should never offer or give – directly or indirectly – anything of value to a customer to influence or reward an action in violation of PBG's or a customer's policy.

Further, it is your responsibility to ensure that: (1) the person to whom you give the business gift is authorized to receive it and that such receipt has been approved by the receiving party's manager; (2) the receipt of it will not violate the business partner's internal company policies; and (3) the gift does not violate any applicable law.

Also, you should never give any gifts or entertainment, other than promotional items (if permitted under the applicable law), to government officials under any circumstances without prior consent of the Law Department.

In addition, each employee, director and officer of the Company should endeavor to deal fairly with customers, suppliers, competitors, the public and one another at all times.

INTERNATIONAL BUSINESS CONDUCT

As an international company, PBG recognizes its responsibility to the interests of the countries in which we do business. We obey all laws and regulations, respect the lawful customs of host countries, and we will not participate in any boycott activity.

All PBG employees and officers must comply with all U.S. and foreign laws regarding customs and trade. This means that you must be accurate and truthful in representing international business transactions to customs officials and government agencies.



PBG is committed to complying with the Foreign Corrupt Practices Act (the “FCPA”), which, as summarized below, prohibits the bribing of any foreign official and requires PBG to keep books and records that accurately and fairly reflect all transactions and dispositions of Company assets. The FCPA applies to all employees, officers and representatives of PBG (such as, for instance, its affiliates and agents). All PBG

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employees and representatives who deal with foreign suppliers, customers and business partners of PBG should always keep in mind that, as part of PBG, they are subject to the FCPA.

In summary, the FCPA prohibits a company (or anyone acting on its behalf) from offering or giving anything of value to any foreign official for the purpose of influencing that official, inducing him to violate his official duty or securing an improper advantage in order to help the company to obtain or retain business. For purposes of the FCPA, foreign officials include government employees, employees of state-owned enterprises, political parties and their officials or candidates for a political office. The FCPA also prohibits offering or giving anything of value to any entity or person (such as an agent) if any part of the payment will be used for any of the prohibited actions. In addition, the FCPA contains accounting provisions that require companies to keep books, records and accounts that, in reasonable detail, accurately and fairly reflect transactions and dispositions of company assets. The FCPA does not apply to facilitating payments to expedite or ensure routine government action.

You should never make a payment or offer or give anything of value, directly or indirectly, to a foreign official (or a candidate for a political office) or to a consultant or agent, unless you are certain that the payment is for valid business services and is in compliance with the Code, the FCPA and the applicable local law. The amount of any payment must be reasonably related to the services performed, and you must properly record and document the payment and the services. Under no circumstances should you ever make payments or

provide anything of value to foreign officials to encourage or reward them for doing business with PBG. Each employee must also be accurate and truthful in representing international business transactions to customs officials and government agencies.

ACCURACY OF BUSINESS RECORDS AND STATEMENTS AND RECORD RETENTION

PBG is legally required to maintain records and accounts that accurately and fairly reflect PBG's business. PBG is also required to maintain a system of internal accounting controls.

It is your responsibility to keep appropriate and accurate records of all aspects of PBG's business, including purchases of raw materials and concentrate, quality control, inventory loss and sale of product. You should never inaccurately record or alter information, or direct or allow others to do so, under any circumstances. You are required to cooperate fully with PBG's internal and external auditors. In addition, you should never establish or permit to be established any undisclosed or unrecorded corporate funds for any purpose, nor place any Company funds in any personal or noncorporate accounts.

It is also important that all sales and promotional activities reflect our commitment to business integrity. You must always be truthful and accurate in com-

municating information relating to a PBG product or activity to a customer or other business partner, or to our consumers.

Business records should be retained according to the Company's record retention policies and applicable laws. You must never dispose of records related to current or potential litigation or an investigation (or direct or allow others to do so) until termination of the litigation or investigation and without first contacting the Law Department. Unauthorized destruction of any such documents could result in negative consequences for PBG and the individual involved, including potential legal actions. Note that under U.S. law, it is illegal to destroy documents knowing that such documents may be relevant to an official proceeding. Destruction of documents under these circumstances is a serious offense punishable by a fine and up to twenty (20) years in prison.

Should you have any questions regarding PBG's record retention policy, please contact the Law Department.



QUALITY OF PUBLIC DISCLOSURES

The Company has a responsibility to communicate effectively with shareholders so that they are provided with full and accurate information, in all material respects, about the Company’s financial condition and results of operations. Our reports and documents filed with or submitted to the United States Securities and Exchange Commission (“SEC”) and our other public communications shall include full, fair, accurate, timely and understandable disclosure. The Company has established disclosure controls and procedures to ensure that information necessary to prepare periodic reports to the SEC and other public disclosures is accumulated and made available to senior management on a timely basis. These disclosure controls and procedures are monitored and evaluated by a Disclosure Committee consisting of the General Counsel, the Controller, the Vice President of Performance Planning, the Director of Investor Relations and the Director of Internal Audit, and others designated by the Disclosure Committee. All employees and officers are required to cooperate fully with the Disclosure Committee and submit any applicable information when requested.

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The PBG Work Environment

An essential PBG Rule of the Road is respect for our employees. The Company demonstrates its respect for all employees by providing a positive, productive and safe work environment. PBG's Equal Employment Opportunity Policy, Policy Prohibiting Sexual Harassment, Workplace Violence Policy and Drug-Free Workplace Policy, summarized below, prohibit discrimination and harassment and ensure a safe and healthy workplace. (You can obtain copies of the complete workplace policies for your location from your Human Resources Manager.)

EQUAL EMPLOYMENT OPPORTUNITY

PBG is dedicated to the policy of equal employment opportunity for all employees and applicants in accordance with the applicable employment laws. PBG's Equal Employment Opportunity Policy and Policy Prohibiting Sexual Harassment absolutely prohibit discrimination and harassment in violation of those laws.

Reporting discrimination and harassment is necessary in order for PBG to maintain a respectful work environment and will not result in any retaliation against you. If you feel that you or others are being

PBG is dedicated to the policy of equal employment opportunity. Immediately notify your Human Resources Manager of any workplace discrimination or harassment.

discriminated against or harassed, you must immediately notify your Human Resources Manager (or, if you wish, the Human Resources Director of your Business Unit). All such complaints are taken seriously and will be promptly investigated. Employees found to have discriminated against or harassed others will be disciplined and may be terminated from PBG.

You must also notify your Human Resources Manager if you need a disability, veteran or other special accommodation. It is PBG's policy to comply with the applicable laws regarding veterans and disabled persons in all of its employment practices.

WORKPLACE SAFETY

PBG's principle of respect for employees is also reflected in our commitment to maintain a safe work environment. This commitment is carried out through programs designed to prevent injury and property damage, provide security for our employees and assets, and meet regulatory and ethical standards in the communities in which we conduct business. It is the responsibility of everyone at PBG to comply with all applicable safety, health and transportation laws and to cooperate fully with any governmental investigation or audit.



It is the responsibility of everyone at PBG to comply with all applicable safety, health and transportation laws and to cooperate fully with any governmental investigation or audit.

PBG's commitment to employee safety is also reflected in the Company's "zero tolerance" for workplace violence. The Company's Workplace Violence Policy expressly prohibits (1) acts of violence, (2) threatening communications or behavior, and (3) the use or possession of weapons by any person on PBG property or in the trade.

You should report immediately to your supervisor any threat or potential for violence. You should also report any other working condition that is unsafe or threatens the quality of any PBG product.

For more information about specific safety policies, please contact your Safety Manager or, in locations other than the U.S. and Canada, the designated person for your location.



DRUG-FREE WORKPLACE

Drug and alcohol use poses unacceptable risks to employee safety and Company operations. PBG’s Drug-Free Workplace Policy forbids the use, storage, or possession of illegal drugs on Company property or by PBG employees at any time. Further, this Policy prohibits employees and agents from being at work while under the influence of illegal drugs or alcohol. In order to ensure a safe environment, where applicable, PBG has a testing program that includes pre-placement, random, post-accident, and “for cause” drug and alcohol testing.

In the U.S., if you have a problem with drug or alcohol abuse, you should call PrivateLine, the Employee Assistance Program at 1-800-646-5608 to get the help you need. All calls are completely confidential.

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It is PBG's policy to compete vigorously and fairly, to exercise independent business judgment in running our business and to comply strictly with all laws governing trade practices and competition. The antitrust and competition laws are intended to promote free-market competition. These laws protect against anti-competitive behavior that harms consumers. They also ensure the existence of a level playing field, allowing businesses to compete fairly on the basis of price, value, quality and service. All PBG employees and officers are expected to observe - at all times and without exception - both the letter and the spirit of the antitrust and competition laws and this policy. Violations of the laws can result in severe penalties against PBG and individuals involved in such violations, including fines and criminal sanctions.

Any agreement or undertaking (whether formal or informal, expressed or implied) between competitors to raise, lower or stabilize prices is illegal and strictly forbidden by this policy.

PBG sets its own prices, discounts, terms of sale and promotional payments independently in light of costs, the need to increase shareholder value and competitive market conditions. Any agreement or undertaking - whether formal or informal, expressed or implied - between competitors to raise, lower or stabilize prices is against Company policy.

You should not discuss prices, costs, promotional payments or terms of sale with a competitor. If a competitor tries to engage you in discussions about pricing,

you should terminate the conversation. When you are bidding on business, never discuss the bid with a competitor or have any agreement or understanding about the bid process. You should not exchange price lists directly with competitors. Be sure that any competitive price lists that you obtain are published or publicly available through the trade.

Be particularly careful if you attend a category management meeting or a trade association meeting or any similar event with competitors. Casual conversation can be easily misunderstood or misinterpreted. If you are ever in a questionable situation with a competitor, terminate the conversation immediately and call the Law Department.

PBG will independently determine whether or not to sell to a particular customer, and any conditions of sale, based on its business needs and marketplace conditions. PBG may discuss and suggest retail prices to its customers, but customers always retain the ability to set their own retail prices. In determining wholesale prices, discounts and promotional payments for different customers, PBG will treat all customers fairly and in accordance with applicable laws.

PBG is free to choose its suppliers and to refuse to do business with any particular supplier. PBG's decisions, however, must be made independently without an agreement or understanding with a competitor or another supplier.

For more information about the antitrust and competition laws, please contact the Law Department.

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PRODUCT QUALITY

PBG has an unwavering commitment to sell and manufacture products that are consistently of the highest quality and to protect the health and safety of our consumers. This means that under no circumstance will PBG tolerate any deviation from and/or non-compliance with Company policies and procedures relating to the handling, manufacturing, sale and storage of PBG products.

You should immediately notify your supervisor if you learn something that suggests product quality is unacceptable. If there is a potential product safety issue, you are expected to take prompt measures in accordance with Company policies and cooperate fully with government regulations and, if necessary, assist with a product recall or other appropriate action.



You should immediately notify your supervisor if you learn something that suggests that product quality is unacceptable.

ENVIRONMENTAL PROTECTION

PBG is committed to being an environmentally responsible corporate citizen. It is our policy to comply with all environmental laws and regulations. We encourage conservation, recycling and energy use programs that promote clean air and water and reduce landfill waste. All employees and officers are expected to minimize the impact of our business on the environment with methods that are socially responsible, scientifically based and economically sound.



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USE OF COMPANY ASSETS AND SERVICES

You should use PBG's property, facilities and time only for Company business. You should never direct or permit an employee to perform personal work or use Company assets for personal reasons. You should also not solicit or conduct outside business during paid working time, or perform services for customers that would normally be done by PBG personnel on non-working time. Examples of conduct violating this policy include:

- Service technician repairs done at an employee's home
- Personal errands by administrative personnel
- Fleet Mechanic repairs of personal vehicles during working time

Proper use of Company assets includes corporate American Express and other credit cards. You may use a Company-issued credit card only for PBG business while employed by PBG. You should never use a Company-issued credit card for personal expenses, and you are expected at all times to comply with this policy while at your location or on business trips. In addition, in the U.S., you are expected at all times to comply with PBG's Travel & Entertainment Policy.

CONFIDENTIALITY OF BUSINESS INFORMATION

As a PBG employee, director or officer, you may have access to confidential or proprietary information about PBG’s business. Confidential information may not be disclosed under any circumstances, except if its disclosure is expressly required by law or approved in advance by the Law

This means ensuring that no one has access to confidential Company information for any reason unless he or she is a PBG employee, director or officer and has a valid, job-related or business-related need for the information.

Department. Confidential information includes trade secrets and other information about PBG’s business that is not known to the public, such as pricing information, marketing strategies, financial data and unannounced acquisitions. This kind of information is a valuable Company resource. You have a responsibility to treat it confidentially and to safeguard it against potential misuse by others, even if you leave the Company. This means ensuring that no one has access to confidential Company information for any reason unless he or she is

a PBG employee, director or officer and has a valid, job-related or business-related need for the information. You should also never use the Company’s confidential information for your own benefit. In addition, you should never disclose or misuse confidential information of another company, such as that of a customer or supplier or competitor of PBG. We respect property rights of others and require our employees, directors and officers to observe such rights.

If representatives of the press or any analysts, investment managers or other stock market professionals request an interview with you or any information about PBG, its suppliers, customers or competitors, you should neither answer

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their questions nor give them any information. Instead, direct press inquiries to the Public Relations Department and inquiries from analysts, investment managers or stock market professionals to the Director of Investor Relations.

Improper use of PBG's confidential information, whether during or after employment at or association with PBG, may result in legal action against you. It could also result in the forfeiture of stock options and the repayment of stock option gains in some circumstances.

All documents, including electronic data relating to PBG's business that you create or receive, are PBG's exclusive property. You should take appropriate steps to safeguard these materials. All such data must be returned to the Company upon request or upon the termination of your employment or association with PBG, whichever is applicable.

INVENTIONS

Employee inventions may qualify as Company property. Sometimes an employee may invent or improve upon a product or process while working for PBG. To the extent that the invention or improvement is directly or indirectly related to PBG's business, it is considered to be the Company's property, regardless of

Any invention or improvement made while working for PBG that is directly or indirectly related to PBG's business, is considered to be the Company's property.

whether the invention or improvement was made or conceived of during working hours. Examples of “inventions” include computer programs, manufacturing processes, new products, and equipment improvements related to PBG’s business.

You must promptly and fully disclose to your Human Resources Manager any such invention or improvement. You will be required to assign to PBG all the rights to any patents, copyrights and/or trademarks related to the invention.

ELECTRONIC MAIL AND INTERNET USE POLICY

The PepsiCo/PBG electronic mail system and Internet, which are administered under a shared services arrangement with PepsiCo, are Company property and intended exclusively for use as communication and research tools in connection with authorized Company business. These systems are to be used for authorized business purposes only, and are not for public or personal use.

All work product, messages and information transmitted on the PBG electronic mail system are the sole property of PBG.

Employees should not have an expectation of privacy when using the electronic mail or Internet systems. All work product, messages and information transmitted on these systems are the sole property of the Company and are

regularly monitored and accessed by PepsiCo/PBG. By using the electronic mail system and Internet, you consent to such monitoring and access and agree to comply with this policy and also with the PepsiCo e-mail policy. A copy of the PepsiCo e-mail and Internet policies can be obtained from your Human Resources Manager or the Law Department.

Use of the e-mail or Internet systems for communications that violate PBG policies is strictly prohibited. Examples of prohibited communications include transmitting messages or accessing web sites that are offensive, derogatory or pornographic. Inappropriate messages or use of the Internet will result in disciplinary actions, up to and including termination.



Insider Trading

PBG is committed to the principle of fair and open markets for publicly traded securities in accordance with the requirements of the United States securities laws. Insider trading – trading in a company’s stock based on knowledge of material facts not known to the public at large – is illegal. Tipping others to such material, non-public information is also illegal in many circumstances. There are significant civil and criminal penalties for both actions, including large penalties and jail terms.

You should never trade in PBG’s stock based on your knowledge of material information not known to the public at large. Information is considered material if there is a substantial likelihood that a reasonable investor would consider it important to his/her decision to buy, sell or hold securities. This policy applies to direct purchases and sales of PBG stock and, where applicable, the exercise of PBG stock options and 401(k) plan and income deferred plan transactions (other than those resulting from your payroll deduction election).



You should also never give material non-public information about PBG to anyone outside PBG, including members of your immediate family. PBG strictly forbids all employees, officers and directors from using material non-public information about PBG for personal advantage or enabling others to do so. PBG also prohibits all

You should never trade PBG's stock based on your knowledge of material information not known to the public at large. You should also never give material non-public information about PBG to anyone outside PBG, including members of your immediate family.

employees, officers and directors from engaging in short selling (which means selling securities that you do not yet own) or trading in puts, calls or options with respect to PBG securities.

In addition, you should never trade in the stock of other companies based on material non-public information that you obtain about that company through your employment at or association with PBG.

Examples of material information include a significant upward or downward revision of earnings forecasts, a significant development regarding a customer (such as acquisition or loss of a substantial contract), development of a significant new product, a major management change, a significant acquisition or divestiture or events involving the Company's securities, such as stock splits or dividends. Information is considered non-public until it appears in press releases or in filings with the SEC and the market has had time to absorb it (generally 48 hours).

For more information on insider trading and tipping, contact the Law Department.

Community Relations and Political Participation

PBG encourages all employees to get involved in their communities. You are encouraged to volunteer for worthwhile causes and to support local and national organizations that are dedicated to improving the quality of life in the communities where we live and work. Your personal leadership not only improves your community, but also helps to build consumer trust and goodwill.

PBG also believes that good corporate citizenship requires participation in government affairs. This participation includes voting, representing PBG's interests at appropriate events involving elected officials and educating government officials about PBG's position on issues that directly impact us.

You should feel free to make personal political campaign contributions if you wish to do so. PBG, however, will not reimburse you for those contributions. You should not make any political campaign contribution or expenditure on behalf of PBG, unless you have obtained a prior approval of the Law Department.



Volunteering not only improves your communities, but also helps to build consumer trust and goodwill.

In addition, in the U.S., the federal election laws generally prohibit companies from making contributions of money, products, services or facilities in connection with any federal election. Accordingly, you should not make any federal campaign contribution or expenditure on behalf of PBG. Since several state laws have similar restrictions, you should pre-clear any corporate contribution for a state or local election with the Law Department.



Acknowledgment by an Employee or an Officer

I acknowledge that I have read and understand PBG’s Worldwide Code of Conduct.

Except as described below, neither I nor anyone acting on my behalf has violated the Code of Conduct.

(If any matter is described, please indicate whether it has been previously disclosed and the manner of such disclosure.)

If any matter arises which makes this certification incomplete or untrue, I agree to report it promptly to my immediate supervisor and file a new certification describing the matter.

Date _____

Name _____

Signed _____

BU or Department _____

Exceptions to Code of Conduct

Please sign and return this form to your Human Resources Representative.

Notes

Acknowledgment by a Director

I acknowledge that I have read and understand PBG’s Worldwide Code of Conduct.

Except as described below, neither I nor anyone acting on my behalf has violated the Code of Conduct.

(If any matter is described, please indicate whether it has been previously disclosed and the manner of such disclosure.)

If any matter arises which makes this certification incomplete or untrue, I agree to report it promptly to the General Counsel of PBG and file a new certification describing the matter.

Date _____

Name _____

Signed _____

Exceptions to Code of Conduct

Please sign and return this form to the General Counsel of PBG.

Notes



THE PEPSI BOTTLING GROUP

ONE PEPSI WAY • SOMERS NY • 10589